



**Second Waiver Proposal  
Public Hearing**

June 24, 2015

# Healthy Michigan Plan

## ➤ Presentation Objectives

- History of Healthy Michigan Plan
- State Law
- First Waiver
- Program Update
- Second Waiver
  - State Law requirements

# Healthy Michigan Plan

- Affordable Care Act (ACA) authorization
  - New eligibility category
- Funding must be appropriated by State
  - Public Act 107 of 2013 was signed into law by Governor Snyder September 16, 2013.
  - State law requires unique cost-sharing responsibilities and health promotion activities
- Requirement of federal waiver (Section 1115)
  - Approved December 30, 2013

# Healthy Michigan Plan

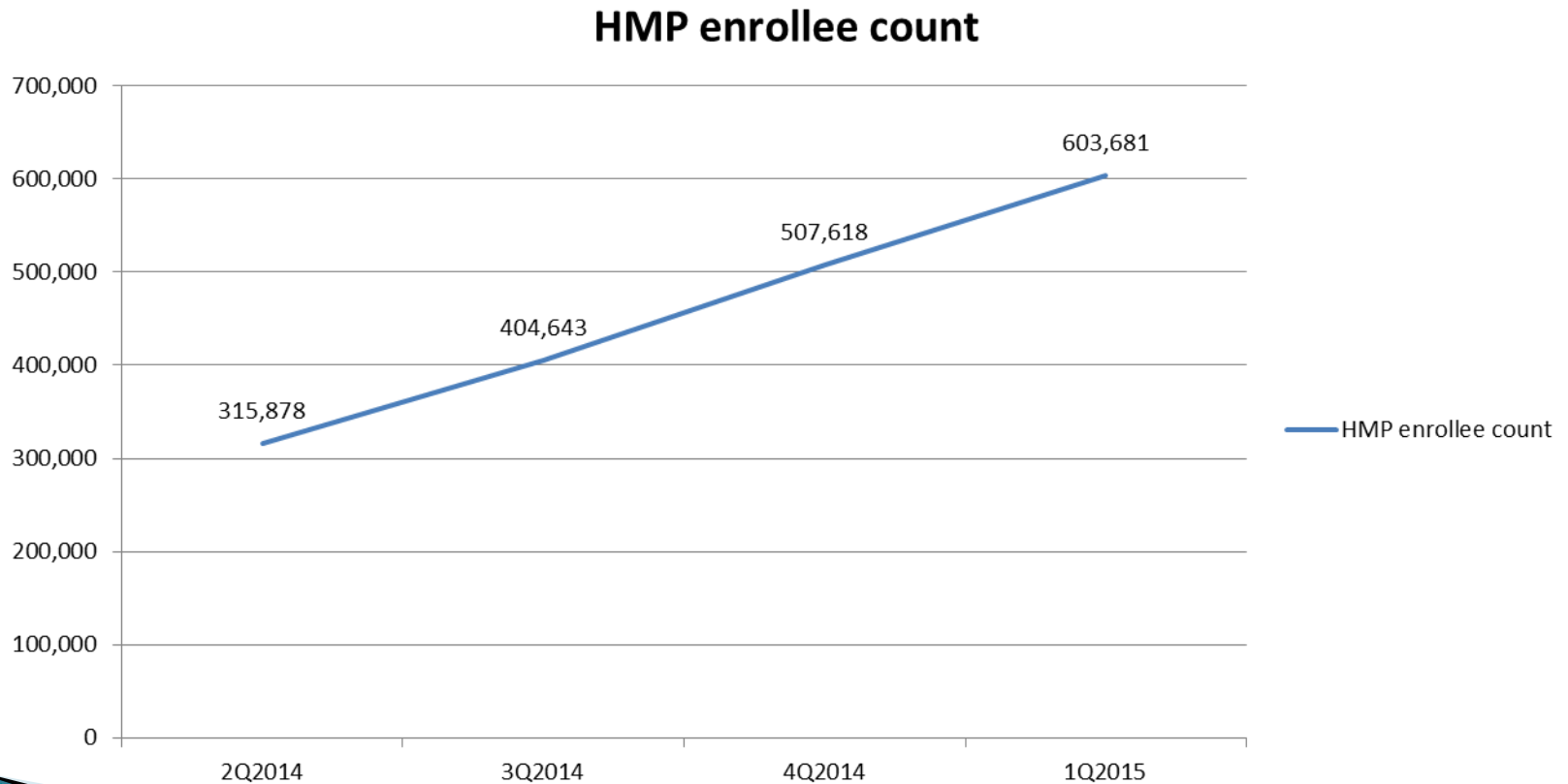
- The Healthy Michigan Plan was implemented on April 1, 2014
- Provides coverage to approximately 600,000 Michigan residents
- Enrollment outreach continues

# Eligibility

- **Michigan residents who:**
  - Are ages 19-64
  - Are not receiving or eligible for Medicare benefits
  - Are not eligible for other Medicaid programs
  - Are not pregnant at the time of application
  - Have income at or below 133% of the federal poverty level (5% disregard = 138%)
  - Must meet other federal requirements

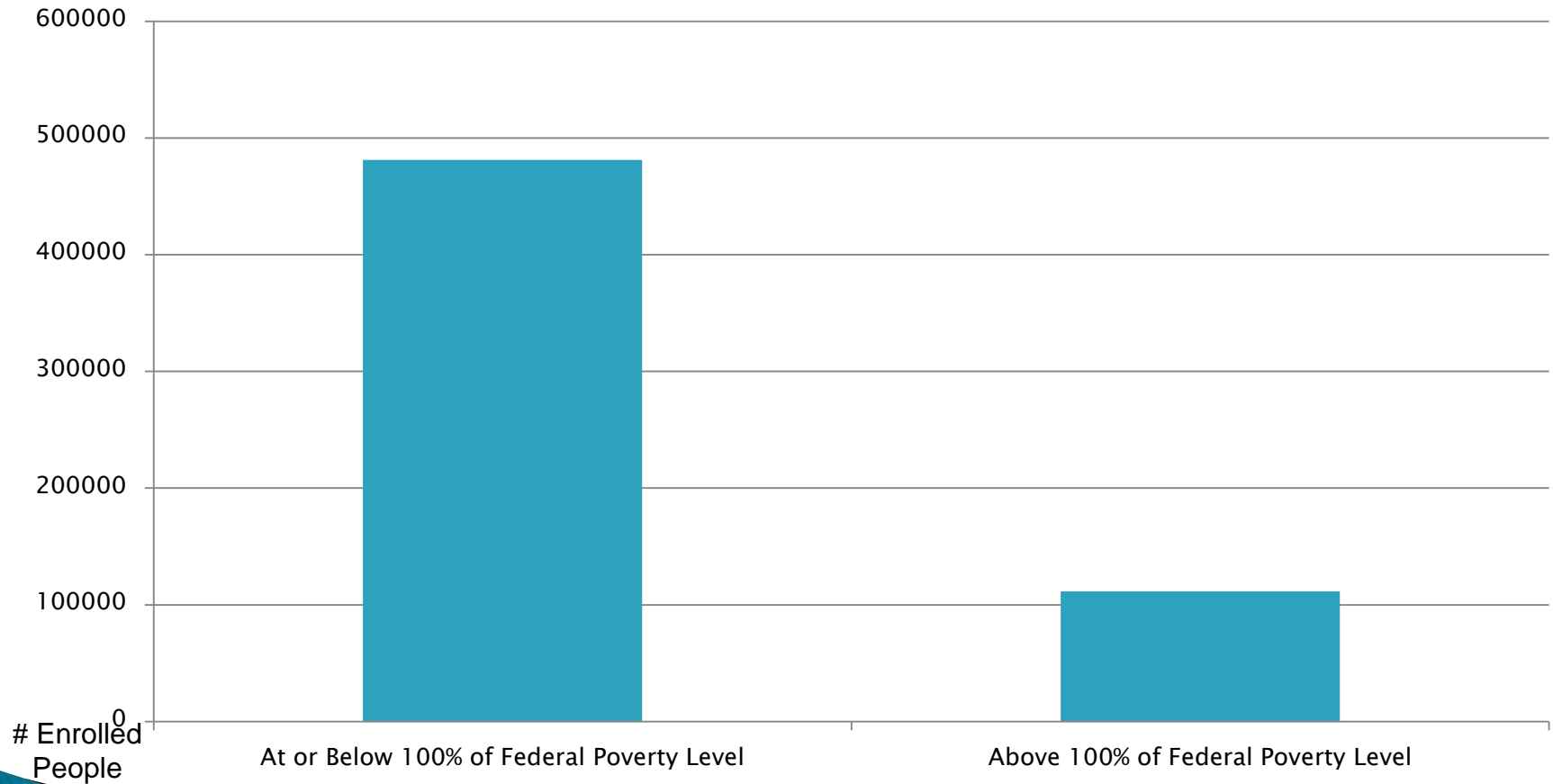
# Enrollment

The Healthy Michigan Plan quickly exceeded its estimated number of enrollees within the first year of the program.



# Enrollment by Federal Poverty Level

Enrollment by Federal Poverty Level



# MI Health Account

- Begins six months after enrollment in a health plan
- Provides Beneficiary health care information and cost-sharing information
  - Required by Public Act 107 of 2013
- MI Health Account Quarterly Statement
  - Itemization of health services received
  - Cost of services for the beneficiary and the Health Plan
  - Co-pays and/or contributions owed by the beneficiary
  - Reductions in cost sharing
  - Payment coupons



# Cost Sharing Requirements

- State law requires two types of cost-sharing to be paid on a monthly basis
  - Average monthly co-pays
  - Contributions
    - Limited to beneficiaries above 100% of the FPL
    - Total annual amounts may be up to 2% of income
- Many factors determine cost-sharing responsibilities
  - Certain individuals and services are exempt from cost-sharing
  - Amounts may be reduced if healthy behaviors are pursued or maintained
- Effort to align cost-sharing requirements with high-value services

# Cost Sharing Requirements - Copays

Covered Services	Co-Pay
Physician Office Visits (including Free-Standing Urgent Care Centers)	\$ 2
Outpatient Hospital Clinic Visit	\$ 1
Emergency Room Visit for Non-Emergency Services <ul style="list-style-type: none"><li>• Co-payment ONLY applies to non-emergency services</li><li>• There is no co-payment for true emergency services</li></ul>	\$ 3
Inpatient Hospital Stay (with the exception of emergent admissions)	\$ 50
Pharmacy	\$ 1 generic \$ 3 brand
Chiropractic Visits	\$ 1
Dental Visits	\$ 3
Hearing Aids	\$ 3 per aid
Podiatric Visits	\$ 2
Vision Visits	\$2

# Healthy Behavior Incentives

- Health Risk Assessment
  - Address or maintain a healthy behavior
  - Financial incentives
    - Can reduce cost-sharing
  - Primary Care Provider attestation is required
- Goal is beneficiary engagement in healthy behaviors

# Healthy Michigan Plan

## Second Waiver

- MDHHS is now seeking approval from the federal government to modify the health care coverage program known as the Healthy Michigan Plan, as required by State law.
- Approval of this Second Waiver allows the State of Michigan to maintain coverage for the approximately 600,000 individuals currently enrolled in the program
- The Second Waiver request must be submitted by September 1, 2015, and approved by December 31, 2015.
- If not approved, the program will end.

# Healthy Michigan Plan

## Second Waiver Requirements

- Targets beneficiaries who are:
  - Between 100% and 133% of the federal poverty level and,
  - Have had Healthy Michigan Plan coverage for 48 cumulative months.
- Does not apply to people who were below 100% of the federal poverty level.

# State Law Requirements

- The target group must choose one of the following options:
  1. Purchase private insurance through the federal Marketplace (with eligibility for advanced premium tax credits and cost sharing reductions), or
  2. Remain in the Healthy Michigan Plan with increased cost-sharing up to 7% of income.
    - A. This option also includes an increase in enrollee contributions to 3.5% of income (with the opportunity for reductions)

If individuals do not choose one of these options, they will remain in the Healthy Michigan Plan under option 2.

# Healthy Michigan Plan

## Second Waiver

### ➤ **1115 Waiver Amendment**

- Needed to address changes in cost-sharing required by State law
- May be sufficient to address eligibility for the Marketplace as well

### ➤ **1332 Waiver Option**

- May be needed to allow individuals to obtain coverage through the Marketplace
- MDHHS staff are collaborating with the federal government on how best to proceed

# Second Waiver – More Information

[www.Michigan.gov/HealthyMichiganPlan](http://www.Michigan.gov/HealthyMichiganPlan)

Physical Health & Prevention
Pregnant Women, Children & Families
Behavioral Health & Developmental Disability
Health Care Coverage
Advance Directives
Healthy Michigan Plan
Help Finding Health Care
Protected Medical Information (HIPAA)
Medicaid
Children & Teens
Adults
Services for Seniors
Pregnant Women
Persons With Disabilities

## Healthy Michigan Plan Second Waiver(s) Documents and Public Hearing Information

The Michigan Department of Health and Human Services (MDHHS) is seeking approval from the federal government to modify the health care coverage program known as the Healthy Michigan Plan, as required by State law. Specifically, MCL 400.105d(20) directs MDHHS to seek a waiver that would allow individuals who are between 100% and 133% of the federal poverty level and have had Healthy Michigan Plan coverage for 48 cumulative months to choose one of the following options:

1. Purchase private insurance through the federal Marketplace (with eligibility for advanced premium tax credits and cost sharing reductions), or
2. Remain in the Healthy Michigan Plan with increased cost-sharing up to 7% of income. This option also includes an increase in enrollee contributions to 3.5% of income (with the opportunity for reductions).

The individuals described above who do not choose one of these options will remain in the Healthy Michigan Plan under option 2.

MDHHS must submit the waiver request to the federal government by September 1, 2015. Approval of this request would allow the State of Michigan to maintain coverage for the approximately 600,000 individuals currently enrolled in the program.

### PUBLIC NOTICE

MDHHS plans to submit a waiver request to the Centers for Medicare & Medicaid Services (CMS) to modify the approved Section 1115 Demonstration known as the Healthy Michigan Plan. MDHHS submitted a concept paper to CMS on May 27, 2015 outlining how it plans to achieve the requirements described in the State law above. A copy of the concept paper is included below, along with a copy of the relevant public act.

[Public Notice](#)  
[Waiver Concept Paper \(Spanish\) \(Arabic\)](#)  
[Healthy Michigan Plan State Law \(MCL 400.105d\)](#)

Any interested party wishing to comment on the waiver concept paper may submit comments to the Medical Services Administration by US mail or e-mail. If commenting by e-mail, please include

- [Healthy Michigan Plan Program Information and History](#)
- [Health Risk Assessment](#)
- [Healthy Michigan Plan Provider Information](#)
- [Healthy Michigan Plan Frequently Asked Questions](#)
- [Advance Directives: The Michigan Peace of Mind Registry](#)



# Second Waiver – More Information

[www.Michigan.gov/HealthyMichiganPlan](http://www.Michigan.gov/HealthyMichiganPlan)

Physical Health & Prevention

Pregnant Women, Children & Families

Behavioral Health & Developmental Disability

Health Care Coverage

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- [Advance Directives: The Michigan Peace](#)

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## Second Waiver – Next Steps

- The Healthy Michigan Plan provides health care coverage for approximately 600,000 individuals.
- If the State of Michigan does not receive approval of this second waiver, the Healthy Michigan Plan will end April 30, 2016.

# Public Comment Process

- MDHHS submitted a 1115 and 1332 waiver concept paper to the federal government May 27, 2015.
  - Concept paper is the basis for the waiver(s)
- MDHHS plans to update the web page with new information as it becomes available
  - Final waiver document(s)
  - Comments
- Submit comments via email to [healthymichiganplan@michigan.gov](mailto:healthymichiganplan@michigan.gov)
- Language translation available

# Questions and Comments

